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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/808,029	03/24/2004	Thomas M. Cross	86,624-009	5665
7590	08/02/2005		EXAMINER	
DYKEMA GOSSETT PLLC Suite 300 39577 Woodward Avenue Bloomfield Hills, MI 48304				RHODE JR, ROBERT E
			ART UNIT	
			PAPER NUMBER	
			3625	

DATE MAILED: 08/02/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	10/808,029	CROSS ET AL.
	Examiner	Art Unit
	Rob Rhode	3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 11 May 2005.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-26 is/are pending in the application.
 4a) Of the above claim(s) 3, 7, 11, 13, 15-18, 21-23 & 25 -26 is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1,2,4-6,8-10,12,14,19,20 and 24 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) Notice of References Cited (PTO-892)
 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
 Paper No(s)/Mail Date _____

4) Interview Summary (PTO-413)
 Paper No(s)/Mail Date. _____

5) Notice of Informal Patent Application (PTO-152)
 6) Other: _____

DETAILED ACTION

Response to Amendment

Applicant's election with traverse of Group I in Paper No. 3 is acknowledged. The traversal is on the ground(s) that the subject matter of all claims is sufficiently related since they use similar technology is not persuasive. This is not found persuasive because the Groups I and II require different class/subclass search and analysis.

The requirement is still deemed proper and is therefore made FINAL.

Currently, Claims 1, 2, 4 – 6,, 8 – 10, 12, 14, 20 & 24 are pending.

Drawings

The drawings filed on 10-24-04 are acceptable subject to correction of the informalities such as shading in Figure 6 as well as informal numbering. In order to avoid abandonment of this application, correction is required in reply to the Office action. The correction will not be held in abeyance.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1, 5, 9, 14, 19 and 20 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. For example, the applicant in the claims uses the phrase "without regard/recourse to the underlying transaction", which is not defined or addressed in the specification in any detail.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 5, 9, 14, 19 and 20 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In Claim 1 for example, the phrase "without regard/recourse to the underlying transaction" is a relative phrase, which renders the claims indefinite. The phrase "without regard/recourse to the underlying transaction" is not defined by the claim(s), the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. For examination purposes the phrase "without regard/recourse to the underlying transaction" will be treated as a generic phrase.

Claims 14 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. For example, Claim 14 recites the limitation(s) of "the financial institution" and "the server" in the body of the claim. There is insufficient antecedent basis for these limitations in the claims.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 14, 20 and 24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. The phrase "technological arts"

has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Moreover, the courts have found that a claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer. See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). Finally, the Board of Patent Appeals and Interferences (BPAI) has recently affirmed a §101 rejection finding the claimed invention to be non-statutory based on a lack of technology. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present case and for example in claim 14, the invention in the body of the claim only cites technology use in trivial sense and therefore does not recite the use of technology in carrying out the recited method steps and thereby is not statutory.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1, 2, 4 - 6, 8 - 10, 12, 14, 19 – 20 and 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shavit (US 4,799,156) in view of Shkedy (US 6,260,024 B1).

Regarding claims 1, 5, and 9. 14, 19 and 20, Shavit teaches a method and system for facilitating the financing for receivables by a financial institution resulting from electronic commerce between a buyer and a seller employing a central processing platform, said method comprising:

translating seller information relating to a product or service sale from a seller information format into a buyer information format and forwarding the translated information to the buyer [see at least Abstract and Figure2 and Figure 9 (EDI)];

producing data representative of a receivable of the seller (see at least Col 9, lines 3 - 4);

and converting the data into a negotiable financial instrument to be issued by the financial institution for introduction into commerce without recourse to the underlying transaction of the buyer and seller (see at least Col 32, lines 48 - 59). Please note that EDI and XML are both well known technologies, which provide the means for translating formats from one entity to another.

While Shavit does disclose billing information and acceptance information, the reference does not specifically discloses and teaches a method and system for validating a transaction by matching billing information associated with the product sale with receipt and acceptance information associated with the sale, supplied electronically by the buyer to the central processing platform.

On the other hand and in the same area of online buying and selling, Shkedy teaches a method and system for validating a transaction by matching billing information associated with the product sale with receipt and acceptance information associated with the sale, supplied electronically by the buyer to the central processing platform; (see at least Abstract, Col 7, lines 53 - 58 and Figures 1 and 2).

It would have been obvious to one of ordinary skill in the art to provide the method and system of Shavit with a method and system of Shkedy to have enabled a method and system as recited in claim 20. Shavit disclose an online method and system for translating seller information, producing receivable of a seller and converting data into a negotiable instrument. In turn, Shkedy discloses a method and system for validating a transaction (Abstract. Col 7, lines 53 - 58 and Figures 1 and 2). Therefore, one of ordinary skill in the art would have been motivated to extend the method and system of Shavit with a method and system for validating a transaction by matching billing information associated with the product sale with receipt and acceptance information associated with the sale, supplied electronically by the buyer to the central processing platform. In this manner, the buyer effort as well as systems requirements will be reduced, which will save the buyer both money and time.

Regarding claim 2 and related claims 6 and 10, Shavit teaches e-mail with the central processing platform.

Regarding claim 4 and related claims 8 and 12, Shavit teaches a system wherein the seller information is directly accessed by the central processing platform from a database of a seller (Col 7, lines 35 - 43).

Regarding claim 21 and related claims 22 and 23, Shkedy teaches a method and system that further includes a reconciliation engine adapted to discriminate and reconcile discrepancies between the billing information and the receipt and acceptance information (Col 7, lines 53 - 58 and Figures 1 and 2).

Claim 24, Shavit teaches a method further comprising obtaining credit, procuring insurance assessing risk, assessing risk of non payment, procuring fraud insurance and becoming payment agent (See at least Abstract and Col 7, lines 6 - 8) Please note that Shavit does not specifically disclose procuring insurance against non-payment, fraud insurance and insurance against not acceptance. Shavit does disclose insurance companies. Moreover a transaction based business that enables trading between buyers and sellers and provides financing for receivables as well invoice's would for good and prudent business reason, procure these forms of insurance in order to preclude undo business risk associated with numerous buyers and sellers. Thereby, it would have been obvious to one of ordinary skill that an online business/exchange as with an off line company would have the appropriate insurance to ensure and protect the business from undo financial burden as normal course of business.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Rob Rhode** whose telephone number is **571.272.6761**. The examiner can normally be reached Monday thru Friday 8:00 AM to 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Wynn Coggins** can be reached on **571.272.7159**.

Any response to this action should be mailed to:

Commissioner for Patents

P.O. Box 1450

Alexandria, Va. 22313-1450

or faxed to:

571.273.8300 [Official communications; including

After Final communications labeled

"Box AF"]

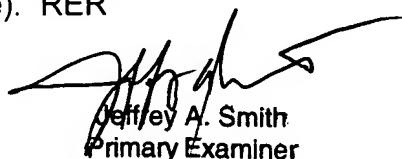
For general questions the receptionist can be reached at

571.272.3600

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For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). RER



Jeffrey A. Smith
Primary Examiner